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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, D.C. 20554

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Re: **EX PARTE**
WT Docket No. 99-168

Dear Ms. Salas:

Burst Networks, Inc. ("Burst"), a startup telecommunications service provider that intends to offer low cost, broadband Internet access, urges the Federal Communications Commission ("Commission") to adopt rules in the above-captioned 700 MHz proceeding that will ensure access to advanced telecommunications services for all Americans and encourage robust competition in the provision of these services. In order to accomplish these objectives, the regulatory licensing regime adopted for the 36 MHz at issue must include the following elements: (1) bidding credits for small and very small companies; (2) license geographic areas that are no larger than major economic areas ("MEAs") and preferably no larger than economic areas ("EAs"); (3) a frequency channelization scheme that allows multiple licenses in each geographic market.

Burst has developed a high-speed, low-cost wireless Internet access service solution that can be readily deployed in all markets in the United States, including currently unserved and underserved regions. Burst's solution will use affordable wireless modems suitable for use with a variety of consumer devices, including personal computers, set-top boxes, electronic game systems, and other appliances. The Internet connection services provided will be "always-on" services, portable, easy to install and will make highly efficient use of the spectrum to provide high-speed connections.

Recognizing that access to the Internet is rapidly becoming a necessity in today's society, both the Clinton Administration and the Commission have focused considerable attention on the availability of telecommunications services and Internet access to all

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Americans to avoid the widening of the "digital divide." The 700 MHz band spectrum is particularly well-suited for broadband wireless data services and a proper licensing scheme can help address the Administration's and the Commission's goals regarding access in rural and unserved areas.

As noted above, to ensure that the operators in the 700 MHz band can serve such interests and that a wide variety of applicants are encouraged to participate in the 700 MHz auction, the Commission first must allow bidding credits for small and very small businesses, consistent with the auction rules for other spectrum auctions. Small businesses, such as Burst, often are better able to provide locally targeted services and niche services to communities that otherwise might not be served.

Second, the Commission can ensure the equitable distribution of licenses and services by licensing the spectrum in smaller geographic regions such as the 52 Major Economic Areas ("MEAs") and the 172 smaller Economic Areas ("EAs"). This licensing scheme will encourage investment in and the rapid buildout of networks and the provision of services in all areas of the country. Absent such efforts, services utilizing the 700 MHz band likely will be offered primarily in urban markets and the Commission will have lost an opportunity to ensure the availability of advanced telecommunications services to all Americans. Moreover, it is likely that larger license areas, even if bidding credits are available, will deprive small businesses of the opportunity to participate in the 700 MHz auction in contravention of the Commission's Congressional mandate to encourage such participation.

Finally, the Commission must ensure that the 36 MHz of available spectrum is channelized in a manner that provides sufficient spectrum for Internet access and other wireless services but also ensures that a wide variety of applicants, including small businesses, are afforded the opportunity to vie for the 36 MHz of spectrum. Given the scarcity of spectrum for wireless services and the intense competition within the industry to gain access to spectrum, the Commission also must encourage the most efficient use of the spectrum. Burst's access solution will be one of the more spectrum efficient services available and will be capable of providing high-speed services using 10 MHz of paired frequencies. The Commission, therefore, can allow a wide variety of applicants to apply for this band and encourage efficient use of the spectrum by adopting a channelization plan that includes multiple channels.

Burst urges that the Commission, in its haste to meet Congressional directives in conducting the 700 MHz band auction, not forego an important opportunity to meet the advanced services needs of the entire population and to encourage smaller competitors to enter the wireless data market. With only a few minor adjustments to its rules, the Commission can meet Congress' deadlines as well as its own mandate to ensure

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affordable advanced telecommunications services to all Americans and ensure that small businesses are given the opportunity to participate in the provision of spectrum-based services.

Pursuant to Section 1.1206(b) of the Commission's rules, 47 C.F.R. § 1.1206(b), Burst submits an original and one copy of this letter to the Secretary for inclusion in the record in the above-captioned proceeding.

Respectfully submitted,



Cheryl A. Tritt
Counsel for Burst Networks, Inc.

cc: Ari Fitzgerald
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